

Message Text

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TAGS: ENRG, EEC, UK

SUBJECT: EC FOREIGN MINISTERS COUNCIL NOVEMBER 5: ENERGY DISCUSSIONS

1. BEGIN SUMMARY: THE FIRST DAY OF THE TWO-DAY SESSION OF THE EC FOREIGN MINISTERS COUNCIL IN BRUSSELS WAS DOMINATED BY DISCUSSION OF THE COMMUNITY MANDATE FOR THE CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION (CIEC). NO NEW POSITIONS WERE TAKEN AND THE COMMUNITY MANDATE REMAINS BLOCKED, PARTICULARLY AS REGARDS THE MENTION OF MSP. THE QUESTION OF THE BRITISH DEMAND FOR A SEPARATE SEAT AT THE CONFERENCE WAS NOT, WE UNDERSTAND, DISCUSSED DURING THE COUNCIL. HOWEVER, IN AN UNCHARACTERISTICALLY TESTY PRESS BRIEFING, UK FOREIGN SECRETARY CALLAGHAN REPEATED IN VERY STRONG TERMS THE BRITISH CLAIM FOR SEPARATE REPRESENTATION. CALLAGHAN SAID "WE ARE CLAIMING A SEAT-- I'VE SAID THAT 75 TIMES-- WE ARE CLAIMING A SEAT." ASSERTING THAT THE COMMUNITY MANDATE "WILL BE SO GENERAL AS TO BE UNABLE TO CARRY US VERY FAR", CALLAGHAN SAID REPEATEDLY THAT "IF THE UK DIDN'T GET A SEAT, WE COULDN'T BE BOUND BY THE CONCLUSIONS OF THE CONFERENCE. IT IS AS SERIOUS OR AS SIMPLE AS THAT." END SUMMARY.

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2. COMMUNITY MANDATE FOR CIEC-MINIMUM SUPPORT PRICE: THE FIRST DAY'S DISCUSSIONS AT THE EC FOREIGN MINISTERS COUNCIL ON NOVEMBER 5 FOCUSED ON THE QUESTION OF THE COMMUNITY'S MANDATE FOR THE CIEC. THE BULK OF THE DISCUSSION CONCERNED THE MANDATE FOR THE ENERGY COMMISSION AND POSSIBLE REFERENCES TO A MINIMUM SUPPORT PRICE. THE UK LED OFF SAYING THAT A SPECIFIC REFERENCE TO A MINIMUM SUPPORT PRICE WAS THEIR "ABSOLUTE MINIMUM DEMAND." THE DUTCH, WHILE LIFTING TWO TECHNICAL RESERVES ON THE PAPER PREPARED BY THE AD HOC GROUP, SAID THAT THEY STILL HOPED THAT AN ALTERNATIVE WORDING COULD BE FOUND TO AVOID A SPECIFIC REFERENCE TO AN MSP. THE IRISH SAID THAT THEY WOULD BE PREPARED TO ACCEPT SUCH A SPECIFIC REFERENCE PROVIDED IT WOULD BE HELPFUL IN GAINING OVERALL AGREEMENT ON THE MANDATE. THE FRENCH DELEGATION SAID THAT THEY WERE NOT IN A POSITION TO LIFT THEIR RESERVE AND PERMIT A SPECIFIC MSP REFERENCE. THE GERMAN DELEGATION SAID THAT WHILE THEY HOPED A WAY COULD BE FOUND AROUND THE PRESENT IMPASSE, THEY WERE DETERMINED TO AVOID THE USE OF THE PHRASE "MINIMUM SUPPORT PRICE." THE DANES, SIDING WITH THE BRITISH, SAID IT IS THEIR VIEW THAT MSP SHOULD BE SPECIFICALLY MENTIONED IN THE COMMUNITY MANDATE. THE BELGIANS DID NOT TAKE A FIRM POSITION BUT INDICATED

THAT THEIR VIEWS WERE CLOSE TO THOSE OF THE GERMANS. THE LUXEMBOURGERS SAID THAT THEY ACCEPTED THE NEED TO FINANCE ALTERNATE SOURCES OF ENERGY VIA MINIMUM SUPPORT PRICES BUT THAT THESE SHOULD NOT BE SPECIFICALLY REFERRED TO IN THE COMMUNITY MANDATE AT THIS TIME. THE ITALIAN DELEGATION CONCURRED WITH THE ANALYSIS PRESENTED BY LUXEMBOURG. SPEAKING FOR THE EC COMMISSION, PRESIDENT ORTOLI SAID THAT THE COMMISSION WANTED TO ENCOURAGE A COMMITMENT BY INVESTORS TO THE DEVELOPMENT OF ALTERNATIVE SOURCES BUT THAT THEY DID NOT FEEL THAT A MINIMUM SUPPORT PRICE WAS THE ONLY WAY THAT THIS COULD BE DONE.

3. EMPLOYING WHAT ONE COUNCIL PARTICIPANT TERMED "BRITISH ARITHMETIC", UK REPRESENTATIVE HATTERSLEY SAID HE WAS "ENCOURAGED BY THE EXPRESSIONS OF SUPPORT FROM AROUND THE TABLE" AND THAT EIGHT DELEGATIONS APPEARED TO BE IN FAVOR OF THE UK POSITION WITH ONE ONE (FRANCE, ALTHOUGH HE DID NOT SINGLE THEM OUT) OPPOSED. A GERMAN SOURCE, WHO DESCRIBED THE HATTERSLEY STATEMENT AS "A FLIGHT OF FANCY", SAID THE GERMAN DELEGATION INTERVENED AT THAT POINT NOTING THAT IT WAS NOT AN EIGHT-TO-ONE SITUATION LIMITED OFFICIAL USE

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AND THEY THEY WISHED TO GO ON RECORD AS AGREEING WITH EC COMMISSION PRESIDENT ORTOLI AND ALSO WISHED TO RESTATE THEIR CONTINUED OPPOSITION TO THE SPECIFIC MENTION OF A MINIMUM SAFEGUARD PRICE IN THE COMMUNITY MANDATE. WHERE THE MATTER NOW STANDS IS NOT CERTAIN; IN PART, BECUASE ITALIAN FOREIGN MINISTER RUMOR IN HIS PRESIDENCY ROLE WAS DESCRIBED BY ONE SOURCE AS "PARTICULARLY UNCLEAR" IN HIS SUMMING UP. ANOTHER PERMDEL SOURCE TOLD US, HOWEVER, THAT IT IS HIS UNDERSTANDING THAT THE

QUESTION OF THE COMMUNITY MANDATE WILL BE RETURNED TO A WORKING GROUP WHICH HAS BEEN GIVEN UNTIL NOVEMBER 15 TO PRODUCE A NEW PAPER. THE DOSSIER WILL THEN BE REVIEWED BY THE EC COMMITTEE OF PERMANENT REPRESENTATIVES (COREPER) AND IS TO BE READY FOR TRANSMISSION TO MEMBER STATE CAPITALS BY NOVEMBER 20. THE FOREIGN MINISTERS ARE TO LOOK FURTHER AT THE ISSUE WHEN THEY MEET IN CONJUNCTION WITH THEIR AGRICULTURE COLLEAGUES IN BRUSSELS ON NOVEMBER 25. DESPITE THIS TIMETABLE, OUR SOURCE FELT IT UNLIKELY THAT SIGNIFICANT PROGRESS WOULD EMERGE FROM THE NOVEMBER 25 MEETING AND THAT THE MATTER WOULD CERTAINLY BE BROUGHT UP IN ROME ON DECEMBER 1 AND 2.

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4. OTHER SECTIONS OF THE MANDATE: LITTLE WORK WAS DONE, WE UNDERSTAND, ON THE MANDATES FOR THE RAW MATERIALS, DEVELOPMENT OR FINANCIAL COMMISSIONS, ALL OF WHICH HAVE BEEN RETURNED TO THE WORKING GROUP FOR FURTHER CONSIDERATION. IN CONNECTION WITH THE DEVELOPMENT MANDATE, THE GERMANS AND DUTCH PROPOSED WORDING FOR THE INTRODUCTORY SECTION MAKING REFERENCE TO THE COMMUNITY'S POSITION AT THE SEVENTH SPECIAL SESSION. UK REPRESENTATIVE HATTERSLEY ALSO SUGGESTED THAT A REFERENCE BE MADE TO THE COMMUNITY'S EFFORTS TO AID NON-ASSOCIATED COUNTRIES. THIS,

HOWEVER, MET WITH OBJECTIONS FROM A NUMBER OF MEMBER STATES AND THE WORKING GROUP IS TO ATTEMPT TO FIND COMPROMISE WORDING.

5. THE BRITISH REPRESENTATION ISSUE: SEVERAL SOURCES HAVE TOLD US THAT THE QUESTION OF A SEPARATE SEAT FOR THE BRITISH AT THE CIEC DID NOT COME UP DURING EITHER THE OPEN OR RESTRICTED PORTIONS OF THE COUNCIL SESSION. HOWEVER, PRIOR TO HIS EARLY DEPARTURE FOR LONDON, UK FOREIGN SECRETARY CALLAGHAN WAS QUESTIONED ON THE SUBJECT BY THE PRESS. CALLAGHAN WAS UNCHARACTERISTICALLY TERSE IN HIS RESPONSES AND DEVOTED THE MAJORITY OF HIS TIME TO COMPLAINTS ABOUT WHAT HE DESCRIBED AS INACCURATE REPORTING OF LIMITED OFFICIAL USE

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"BRITISH OBSTRUCTIONISM" BY JOURNALISTS. WITH REGARD TO THE CIEC, CALLAGHAN SAID THAT "IF THE UK DIDN'T GET A SEAT WE COULDN'T BE BOUND BY THE CONCLUSIONS OF THE CONFERENCE. IT IS AS SERIOUS OR AS SIMPLE AS THAT." HE SAID THAT "NO COMPROMISE WAS LIKELY, CERTAINLY NOT." FURTHER, HE SAID IT WAS "HIGHLY UNLIKELY A MANDATE COULD BE FOUND WHICH COULD LOOK OUT FOR OUR INTERESTS," AND THAT ANY COMMUNITY "MANDATE WILL BE SO GENERAL AS NOT TO CARRY US VERY FAR." CALLAGHAN SAID THAT "I AM NOT CONCERNED WITH THE EC POSITION ANYWAY. I AM STAKING A CLAIM FOR A BRITISH SEAT." ASKED IF A MANDATE, ACCEPTABLE IN EVERY DEGREE, WERE ADOPTED, WOULD HE DROP HIS DEMAND FOR A SEPARATE SEAT, CALLAGHAN RESPONDED "THAT IS HIGHLY UNLIKELY--- THE ANSWER IS NO," AND "WE ARE CLAIMING A SEAT---I'VE SAID THAT 75 TIMES--- WE ARE CLAIMING A SEAT."

6. LIGHT AT THE END OF THE TUNNEL? FRG FOREIGN MINISTER GENSCHER REPORTEDLY TOLD GERMAN REPORTERS (ON A DEEP BACKGROUND BASIS) THAT A COMPROMISE HAD BEEN OFFERED THE BRITISH WHEREBY THERE WOULD BE A SINGLE DELEGATION AT THE PLENARY SESSION, AND MULTIPLE REPRESENTATION IN THE COMMISSIONS WITH ALL PRESENT HAVING THE RIGHT TO SPEAK ON CERTAIN SPECIFIC ISSUES. IRISH FOREIGN MINISTER FITZGERALD TOLD THE PRESS, HOWEVER, THAT HE WAS NOT AWARE OF ANY SUCH COMPROMISE AND NOTED THERE WAS "JUST NO WAY YOU CAN HAVE BOTH THE COMMUNITY AND A MEMBER STATE PRESENT... IT IS CONSTITUTIONALLY IMPOSSIBLE." ANY COMMUNITY REPRESENTATIVE COULD SPEAK ONLY INsofar AS THERE WAS AN AGREED POSITION AMONG THE NINE. THE BRITISH COULD NOT BE ALLOWED TO SILENCE THE COMMUNITY BY SPEAKING UP INDEPENDENTLY "WHENEVER THEY FELT LIKE IT." IN CLOSING, FITZGERALD WAS ASKED "DO YOU THINK AN INGENIOUS SOLUTION COULD BE FOUND AT THE LAST MOMENT TO SAVE BRITISH FACE?" HE REPLIED, "I CERTAINLY AM NOT THAT INGENIOUS." GREENWALD

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